

# SCHEDULE 1

## SCHEDULE SHOWING 2002-03 AND 2003-04 REVENUE ESTIMATES FOR ALL FUNDS BY FISCAL REVIEW STAFF ACCRUAL COLLECTIONS

	ACTUAL		PERCENT		PERCENT	
	ACCRUAL	FRC STAFF	INCREASE	FRC STAFF	INCREASE	
	COLLECTIONS	ESTIMATES	OVER	ESTIMATES	OVER	
REVENUE SOURCE	FY 01-02	FY 02-03	FY 01-02	FY 03-04	FY 02-03	COMMENTS
SALES & USE TAX	\$4,645,724,300	\$5,406,966,000	16.4 <sup>2)</sup>	\$5,597,798,000	3.5 <sup>3)</sup>	
GASOLINE TAX	576,912,000	594,219,000	3.0	600,161,000	1.0	
MOTOR FUEL TAX	151,188,900	159,703,000	5.6	162,897,000	2.0	
GASOLINE INSPECTION TAX	61,624,300	61,984,000	0.6	63,224,000	2.0	
MOTOR VEHICLE REG. TAX	219,607,200	233,198,000	6.2 <sup>4)</sup>	242,907,000	4.2 <sup>5)</sup>	
INCOME TAX	141,710,200	145,111,000	2.4	150,915,000	4.0	
PRIVILEGE TAX - LESS EARMARKED <sup>1)</sup>	177,389,600	210,673,000	18.8 <sup>6)</sup>	218,047,000	3.5	
GROSS RECEIPTS TAX:						
TVA	200,296,900	198,775,000	(0.8)	202,751,000	2.0	
OTHER	24,034,100	19,605,000	(18.4) <sup>7)</sup>	20,193,000	3.0	
BEER TAX	15,347,400	17,142,000	11.7 <sup>8)</sup>	17,378,000	1.4	
ALCOHOLIC BEVERAGE TAX	30,032,300	33,552,000	11.7 <sup>8)</sup>	34,343,000	2.4	
FRANCHISE & EXCISE TAX	966,300,600	1,042,400,000	7.9 <sup>9)</sup>	1,047,098,000	0.5 <sup>10)</sup>	
INHERITANCE TAX	104,480,700	98,800,000	(5.4)	100,776,000	2.0	
TOBACCO TAX	85,596,100	117,381,000	37.1 <sup>8)</sup>	118,838,000	1.2	
MOTOR VEHICLE TITLE FEES	10,646,000	11,019,000	3.5	11,239,000	2.0	
MIXED DRINK TAX	35,860,800	37,403,000	4.3	38,525,000	3.0	
BUSINESS TAX	21,115,000	96,400,000	356.5 <sup>11)</sup>	98,328,000	2.0	
SEVERANCE TAX	1,079,600	1,100,000	1.9	1,100,000	-	
AMUSEMENT TAX	31,400	3,400,000	10,728.0 <sup>12)</sup>	4,100,000	20.6 <sup>12)</sup>	
<b>TOTAL REVENUES</b>	<b>\$7,468,977,400</b>	<b>\$8,488,831,000</b>	13.65 <sup>13)</sup>	<b>\$8,730,618,000</b>	2.85	
CURRENT REVISED EST. FY 02-03						ACTUAL AUG - OCT 02 IS 13.8%;
SALES TAX		\$5,426,300,000				GROWTH NEEDED NOV - JULY 03
FRANCHISE & EXCISE TAX		\$1,017,400,000				TO MEET FRC EST. IS 13.5%;
ALL FUNDS		\$8,470,700,000				GROWTH NEEDED NOV - JULY 03
						TO MEET CURRENT REVISED
						EST. IS 13.2%
EST. OVERAGE COMPARED TO						
FY 02-03 REVISED ESTIMATE:						
ALL FUNDS		\$18,131,000				
GENERAL FUND		\$4,428,000				

## FOOTNOTES FOR SCHEDULE 1

- 1) PRIVILEGE TAX COLLECTIONS ARE REDUCED BY \$31,700,000 FOR FY02 AND \$32,000,000 for FY03 FOR THE EARMARKED PORTION OF THE TAX.
- 2) THE 16.4% INCREASE REFLECTS AN ESTIMATED ADJUSTED GROWTH RATE OF 2.4% FOR NOV-JULY 03. THIS TAKES INTO ACCOUNT THE 1.62% ADJUSTED GROWTH FOR AUG-OCT 02 AND AN ESTIMATED \$658,327,000 IN NEW REVENUE COLLECTIONS FROM THE RATE CHANGES, SINGLE ARTICLE CAP AND IMPOSING THE SALES TAX ON VENDING MACHINE SALES. THE ADJUSTED GROWTH RATE FOR FY02-03 IS 2.2%.
- 3) THE 3.5% INCREASE REFLECTS AN ESTIMATED ADJUSTED 3.0% INCREASE OVER ESTIMATED FY02 COLLECTIONS AND TAKES INTO ACCOUNT AN ADDITIONAL \$28,623,000 FROM THE RATE CHANGES AND THE SINGLE ARTICLE CAP SINCE IMPLEMENTATION OF THE TAX CHANGES BECAME EFFECTIVE ON JULY 15, 2002.
- 4) THE 6.2% INCREASE TAKES INTO ACCOUNT AN ESTIMATED INCREASE OF \$8,101,000 FROM AN INCREASE IN COMMERCIAL VEHICLE REGISTRATION FEES EFFECTIVE 10/1/02. THE ADJUSTED GROWTH RATE IS 2.5%.
- 5) THE 4.2% INCREASE RECOGNIZES AN ADDITIONAL \$2,713,000 IN ADDITIONAL COMMERCIAL VEHICLE REGISTRATION FEES SINCE THE EFFECTIVE DATE OF THE TAX INCREASE WAS 10/1/02.
- 6) THE 18.8% INCREASE TAKES INTO ACCOUNT AN ADDITIONAL \$24,946,200 FROM THE INCREASE IN THE PROFESSIONAL PRIVILEGE TAX TO \$400. THE ADJUSTED GROWTH RATE IS 4.75%.
- 7) THE 18.4% DECREASE RECOGNIZES AN ESTIMATED \$5,000,000 DECREASE IN COLLECTIONS DUE TO THE DELETION OF THE 2.5% GROSS RECEIPTS TAX ON VENDING MACHINE TOBACCO ITEMS AND THE 1.5% TAX ON OTHER VENDING MACHINE ITEMS IN LIEU OF SALES TAX.
- 8) THE ESTIMATES FOR SIN TAXES REFLECT THE TAX INCREASES PASSED LAST SESSION. THE ESTIMATES INCLUDE THE FOLLOWING ADDITIONAL ESTIMATED COLLECTIONS FROM INCREASED TAXES: BEER - \$1,487,000; ALCOHOLIC BEVERAGE - \$2,769,000; TOBACCO - \$33,497,000. THE ADJUSTED GROWTH RATES ARE AS FOLLOWS: BEER 2%; ALCOHOLIC BEVERAGE 2.5%; TOBACCO (2%).
- 9) THE 7.9% INCREASE ASSUMES \$915,000,000 IN BASE COLLECTIONS WHICH EXCLUDES THE TAX INCREASE AND THE IMPACT OF THE DECOUPLING LEGISLATION. THE BASE HAS BEEN INCREASED BY AN ADDITIONAL \$127,400,000 IN COLLECTIONS FROM INCREASING THE EXCISE TAX FROM 6% TO 6.5% AND DECOUPLING THE STATE EXCISE TAX FROM FEDERAL REGULATIONS. AN AMOUNT OF \$25,800,000 OF THE TAX INCREASE IS ONE-TIME ESTIMATED COLLECTIONS DUE TO APPROXIMATELY SIX QUARTERS OF COLLECTIONS FOR FY03. (THE EFFECTIVE DATE FOR THE EXCISE TAX INCREASE WAS FOR TAX YEARS ENDING ON OR AFTER JULY 15, 2002.)
- 10) THE 0.5% INCREASE ASSUMES A 3% INCREASE IN FRANCHISE AND EXCISE TAX COLLECTIONS FOR FY04 LESS \$25,800,000 WHICH REPRESENTS ONE-TIME COLLECTIONS INCLUDED IN THE EXCISE TAX RATE INCREASE PASSED LAST SESSION FOR FY03.
- 11) THE LARGE PERCENTAGE INCREASE RECOGNIZES \$73,333,000 IN INCREASED LOCAL BUSINESS TAXES OF 50% WITH THE STATE RETAINING THE INCREASE AND ASSUMES THE BUDGETED ESTIMATE FOR FY03 WILL BE REALIZED.
- 12) THE ESTIMATED COLLECTIONS ASSUME THE FISCAL NOTE ESTIMATE WILL BE REALIZED IN FY03 AND FY04.
- 13) THE ADJUSTED GROWTH RATE IS 1.2% AFTER EXCLUDING \$933,235,000 IN TAX INCREASES. ACTUAL ACCRUAL COLLECTIONS FOR FY01-02 RESULTED IN A NEGATIVE GROWTH RATE OF 2.45% WHEN COMPARED WITH ACTUAL ACCRUAL COLLECTIONS FOR FY00-01.

**SCHEDULE SHOWING FISCAL REVIEW STAFF  
REVENUE ESTIMATES FOR ALL FUNDS AND THE  
GENERAL FUND FOR FISCAL YEAR 02-03**

	<b>ALL FUNDS</b>	<b>GENERAL FUND</b>
<b>REVENUE SOURCE</b>	<b>FY 02-03</b>	<b>FY 02-03</b>
<b>SALES &amp; USE TAX</b>	<b>\$5,406,966,000</b>	<b>\$5,159,326,000</b>
<b>GASOLINE TAX</b>	<b>594,219,000</b>	<b>8,200,000</b>
<b>MOTOR FUEL TAX</b>	<b>159,703,000</b>	<b>4,136,000</b>
<b>GASOLINE INSPECTION TAX</b>	<b>61,984,000</b>	<b>19,246,000</b>
<b>MOTOR VEHICLE REGISTRATION TAX</b>	<b>233,198,000</b>	<b>43,888,000</b>
<b>INCOME TAX</b>	<b>145,111,000</b>	<b>94,061,000</b>
<b>PRIVILEGE TAX</b>	<b>210,673,000</b>	<b>210,673,000</b>
<b>GROSS RECEIPTS TAX:</b>		
<b>TVA</b>	<b>198,775,000</b>	<b>119,961,000</b>
<b>OTHER</b>	<b>19,605,000</b>	<b>17,317,000</b>
<b>BEER TAX</b>	<b>17,142,000</b>	<b>11,941,000</b>
<b>ALCOHOLIC BEVERAGE TAX</b>	<b>33,552,000</b>	<b>28,271,000</b>
<b>FRANCHISE &amp; EXCISE TAX</b>	<b>1,042,400,000</b>	<b>917,000,000</b>
<b>INHERITANCE TAX</b>	<b>98,800,000</b>	<b>98,800,000</b>
<b>TOBACCO TAX</b>	<b>117,381,000</b>	<b>117,381,000</b>
<b>MOTOR VEHICLE TITLE FEES</b>	<b>11,019,000</b>	<b>8,319,000</b>
<b>MIXED DRINK TAX</b>	<b>37,403,000</b>	<b>19,408,000</b>
<b>BUSINESS TAX</b>	<b>96,400,000</b>	<b>96,400,000</b>
<b>SEVERANCE TAX</b>	<b>1,100,000</b>	<b>300,000</b>
<b>AMUSEMENT TAX</b>	<b>3,400,000</b>	<b>3,400,000</b>
<b>TOTAL</b>	<b>\$8,488,831,000</b>	<b>\$6,978,028,000</b>

**SCHEDULE SHOWING FISCAL REVIEW STAFF  
REVENUE ESTIMATES FOR ALL FUNDS AND THE GENERAL FUND  
FISCAL YEAR 03-04**

	<b>ALL FUNDS</b>	<b>GENERAL FUND</b>
<b>REVENUE SOURCE</b>	<b>FY 03-04</b>	<b>FY 03-04</b>
<b>SALES &amp; USE TAX</b>	<b>\$5,597,798,000</b>	<b>\$5,341,419,000</b>
<b>GASOLINE TAX</b>	<b>600,161,000</b>	<b>8,282,000</b>
<b>MOTOR FUEL TAX</b>	<b>162,897,000</b>	<b>4,219,000</b>
<b>GASOLINE INSPECTION TAX</b>	<b>63,224,000</b>	<b>19,631,000</b>
<b>MOTOR VEHICLE REGISTRATION TAX</b>	<b>242,907,000</b>	<b>45,715,000</b>
<b>INCOME TAX</b>	<b>150,915,000</b>	<b>97,823,000</b>
<b>PRIVILEGE TAX</b>	<b>218,047,000</b>	<b>218,047,000</b>
<b>GROSS RECEIPTS TAX:</b>		
<b>TVA</b>	<b>202,751,000</b>	<b>122,360,000</b>
<b>OTHER</b>	<b>20,193,000</b>	<b>17,836,000</b>
<b>BEER TAX</b>	<b>17,378,000</b>	<b>12,106,000</b>
<b>ALCOHOLIC BEVERAGE TAX</b>	<b>34,343,000</b>	<b>28,937,000</b>
<b>FRANCHISE &amp; EXCISE TAX</b>	<b>1,047,098,000</b>	<b>921,698,000</b>
<b>INHERITANCE TAX</b>	<b>100,776,000</b>	<b>100,776,000</b>
<b>TOBACCO TAX</b>	<b>118,838,000</b>	<b>118,838,000</b>
<b>MOTOR VEHICLE TITLE FEES</b>	<b>11,239,000</b>	<b>8,539,000</b>
<b>MIXED DRINK TAX</b>	<b>38,525,000</b>	<b>19,991,000</b>
<b>BUSINESS TAX</b>	<b>98,328,000</b>	<b>98,328,000</b>
<b>SEVERANCE TAX</b>	<b>1,100,000</b>	<b>300,000</b>
<b>AMUSEMENT TAX</b>	<b>4,100,000</b>	<b>4,100,000</b>
<b>TOTAL</b>	<b>\$8,730,618,000</b>	<b>\$7,188,945,000</b>
<b>ESTIMATED DOLLAR GROWTH OVER FRC ESTIMATE FOR FY 02-03</b>	<b>\$241,787,000</b>	<b>\$210,917,000</b>